

## **ORIGINAL**



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December 20, 2013

Robert L. Burns Arizona Corporation Commission 1200 West Washington Street

Phoenix, Arizona 85007

Arizona Corporation Commission

DOCKETED

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Law Department

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Re:

December 6, 2013 Letter Concerning Public Relations Expenditures

Associated with Retail Electric Competition

Docket No. E-00000J-13-0375

## Commissioner Burns:

Arizona Public Service Company submits this response to your December 6, 2013 letter in the above-referenced docket. In connection with the Commission's inquiry into retail electric competition, APS incurred costs primarily in connection with policy and technical analysis of the issues being discussed, such as wholesale market design and market structure issues. The lobbying or public relations costs referred to below were incurred by Pinnacle West Capital Corporation.

With respect to your specific questions regarding public relations-related expenditures, APS responds as follows:

Question 1: How much money did your company, organization, shareholders and/or parent company spend to support your positions on retail electric competition? Your answers should include funds spent to support lobbying efforts and contributions to organizations that lobby or retain lobbyists to promote views that you support. Your answers should also include general service contractors who were retained in any capacity but perhaps were not required to register as lobbyists by virtue of a contractual agreement.

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Response: For public relations work related to deregulation, including amounts contributed to the Arizona Power Consumers Coalition, Pinnacle West spent approximately \$410,000.

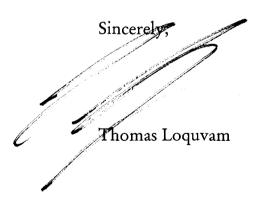
Question 2: Please identify the approximate number of hours your salaried staff spent on the public relations campaign to support your positions.

Response: APS estimates that salaried employees spent approximately 2,800 hours on public relations activities related to the Commission's inquiry into deregulation.

Question 3: If you are a regulated utility, will you be requesting compensation in a future rate case for funds expended to promote your views?

Response: No.

I hope that these answers provide you the information you need as we move forward in this docket.



c: Chairman Bob Stump
Commissioner Gary Pierce
Commissioner Brenda Burns
Commissioner Susan Bitter Smith
Parties of Record

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